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LABOUR SITUATION IN GREAT BRITAIN
AUGUST, 1940.

(Source: The Statist, October 5, 1940).

The Ministry of Labour's detailed returns for August foreshadow important developments in the organisation of the nation's labour force. It will be recalled that from mid-July to mid-August unemployment among adult workers receded by close on 50,000, while the inflow of some 20,000 "school-leavers" reduced the total statistical improvement in the month to 27,8000. In commenting on the Ministry's preliminary figures it was observed that, while the reduction in unemployment must be expected to experience a certain deceleration as the ultimate margin of irreducible unemployment is neared, it was evident that Mr. Bevin had no intention of submitting to marginal considerations that, in normal times, would be of irresistible weight. Justification for this view is provided by official reports which, without giving the precise statistics that would be of such vital interest, state explicitly that industrial transfer is now in operation on a substantial and expanding scale. Two industrial groups - fishing and the printing and allied trades - make an improved showing by reason of a shift of numbers of their workers to different war-time occupations, and the continuance of widespread short-time working in the latter group leads to the hope that this process can be sustained. The new industrial distribution of these transferred workers remains undisclosed, beyond a reference to their entry into "the munition industries," but the Ministry does vouchsafe the information that in the ship-building industry shortages in certain classes of workpeople were partially met by means of industrial transfer.

On the principle of better late than never, this tangible evidence of the re-direction of the nation's principle economic arm is to be warmly welcomed, as is also the further indication now forthcoming of positive steps to accelerate the training of munition workers. A new manual issued by the Ministry states that, within the next few months, the Government's programme will demand additional trained workers "running to several hundred thousands." To achieve this, training of new entrants into industry and of workers suitable for upgrading is being expanded in various directions. Training by employers in their own factories is to be stimulated to the maximum possible extent; the capacity of Government training centres is being greatly increased; industrial establishments which cannot be engaged in essential work are to be utilised for training and all available facilities in technical colleges are to be brought into full use. What is of doleful interest in this announcement is the fact that it is still written in the future tense. The one exception - the expansion of the capacity of the Government training centres - comes as a reminder of two earlier official utterances - Mr. Ernest Brown's twin pleas of only six months ago that training was a matter for the employer of labour and that "the Ministry could not do it," and of his successor's recent warning that some employers are living, in this connection, in a fool's paradise. The country must look to Mr. Bevin to effect a speedy expulsion from that paradise of manufacturers who fail to meet their responsibilities in a most vital field. Meanwhile, there is room for encouragement in the approach to the training problem made by the official manual to which reference has been made, which indicates an admirably elastic system in course of construction, adaptable, as may be required, to local industrial requirements and closely integrated with the Ministry's machinery for satisfying the demand for trained workers.

While the labour situation is being modified by the development of the training scheme indicated, the importance of the wages element in the national economy is underlined by the issue, within the past month, of the first three awards of the National Arbitration Tribunal, all of which provided for increases in workers' pay on a scale substantially lower than that claimed, and by the official summary of wage changes occurring this year, up to the end of August. This shows that nearly 7.5 million workpeople were affected by net increases of wages and that the estimated net amount of increases in weekly wages amounts to £1.7

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million. In August alone £120,000 was added to the weekly wage bill in respect of just over one million workers. Part of this results automatically from the operation of sliding scales related to the Ministry's cost-of-living index, which, for September, stood 7 per cent. higher than in January and 21 per cent. higher than twelve months ago.

So far from any indication having emerged of a war wages policy designed to reduce the inflationary tendencies latent in the present situation of increasing wage payments and reduced supplies of consumable goods, it is revealed in the annual report of the Trades Union Congress that an attempt last winter to reach agreement with employers on price-wage policy proved unsuccessful. By this time the basic facts of the situation have become clear to everybody and if the industrial organisations cannot bring themselves to undertake a fresh initiative in this matter, the authorities might well follow the example of Canada, where the Government responded to a joint request for a declaration of principles for the regulation of labour conditions during the war, with a statement summarised on another page.

That declaration includes the pronouncement that industrial disputes should not be allowed to interrupt production. That there is still room here for a similar appreciation of the situation is shown by the fact that in August, despite the creation of the National Arbitration Tribunal, 50 trade disputes arose, involving 7,000 workpeople and involving the loss of 13,000 working days. It is true that the latter figure compares with 33,000 days lost in July and with 118,000 in August of last year. But loss of production on this scale cannot be afforded in present circumstances. "Instruments of production," said Mr. Bevin recently, "are more valuable than gold at the present time. There must be no idle material or idle instruments."

NOTE: The total number wholly unemployed on September 16 was 613,671, compared with 613,156 on August 12. Those temporarily unemployed totalled 185,000, compared with 154,380.

There were 333,936 wholly unemployed males in Britain on October 14, the Ministry of Labour announces - a decrease of 9,443 from the previous month. The corresponding figure for females was 301,495 - an increase of 31,203.

The increase in the number of unemployed women, it is added, is largely accounted for by the registration of women who have been evacuated from their homes, and not all of whom may have been in employment previously.
